BRITISH COLUMBIA

BC STATS

Service BC
Ministry of Labour & Citizens' Services

Infoline

Contact: bcstats.infoline@gov.bc.ca Issue: 05-46 November 18, 2005

- **Manufacturing shipments in BC slipped 0.5% in September**
- **Wholesale sales in BC advanced 0.7% in September**
- **Travellers entering the country via BC increased 1.8% in September**

The Economy

- **BC origin exports climbed 1.7% (*seasonally adjusted*) in September, mainly on the strength of rising exports of energy (+4.8%) and industrial and consumer goods (+6.5%).** The overall increase was due to a 2.9% jump in exports to the United States, as shipments to other destinations edged down 0.2%. Soaring prices for energy products in the wake of Hurricanes Katrina and Rita drove up the value of exports of those goods to the US (+13.6%), which fuelled the overall increase, as all other major commodity groups saw a decline in exports to the US. *Data Source: BC Stats*

- **Shipments of goods manufactured in the province edged down 0.5% (*seasonally adjusted*) between August and September, the same rate of decline recorded for Canada as a whole.** BC was the only western province to experience a drop in shipments as Manitoba (+4.1%), Saskatchewan (+2.3%) and Alberta (+1.6%) all posted increases in manufacturing shipments. Canadian shipments of aerospace products recovered from a 30.1% drop in August with a 21.7% jump in September, which helped boost overall shipments in Quebec up 1.6%. A drop in production of transportation equipment, particularly cars and trucks, contributed to a 2.2% slump in shipments in Ontario. Newfoundland and Labrador (-8.7%) and the region formed by the Northwest Territories and Nunavut (-16.7%) experienced the largest percentage drops in manufacturing shipments.

  In British Columbia, it was the non-durable goods industries (-2.2%) that fed the overall drop in shipments, as durable goods climbed 0.7%. A 7.3% plunge in paper manufacturing was the leading cause of the reduction in shipments of non-durable goods, but a 6.4% decline in printing and related activities also contributed to the poor performance, outweighing gains in some other non-durable goods industries. In the durable goods sector, wood product manufacturing increased 2.7% and machinery manufacturing soared 15.3%, more than recovering from a 3.5% drop a month earlier. These gains were tempered by a continuing slump in shipments of primary metal manufactured products, which fell 20.7%, the fifth straight month shipments have declined.

  Data Source: Statistics Canada

- **After being the only region in the country to experience an increase in new car sales in August, the region comprised of BC and the Territories saw new motor vehicle sales drop 6.7% (*seasonally adjusted*) in September.** However, that was still better than the national average—Canadian vehicle sales plunged 7.9%, in September, continuing a downward slide started in August, when motor vehicle transactions slumped 8.7%. The only province to record growth in the number of cars sold in September was Newfoundland and Labrador, where sales edged up 0.8%. The other Atlantic Provinces didn't fare nearly so well, particularly PEI, which had the worst decline in sales in the country (-25.1%) and New Brunswick, which ranked second last (-16.0%). Other provinces with rates below the national average were Manitoba (-12.0%) and Ontario (-9.2%).

  Data Source: Statistics Canada

- **Wholesale sales in BC edged up 0.7% (*seasonally adjusted*) in September.** All provinces west of Ontario and the territories posted gains, and although BC's performance was the weakest of these, it reinforced August's revised 4.1% growth. For Canada as a whole, sales edged down 0.1% in September as weakness in Ontario (-1.6%) was sufficient to overshadow

Report Aboriginal Peoples Labour Market Opportunities

Did you know...

Voter turnout for municipal elections in BC's larger cities (greater than 100,000 population) averaged only 30% between 1986 and 1996. Get out and vote on November 19th!

Source: Simon Fraser University report for the Ministry of Municipal Affairs and Housing

western strength and gains in Quebec (+0.9%). Nova Scotia (+1.8%) was the only bright spot in the Atlantic region as Prince Edward Island (-24.0%), Newfoundland and Labrador (-0.7%) and New Brunswick (-1.0%) all experienced falling sales. *Data Source: Statistics Canada*

Tourism

- **Canada's hotel and motel operators are not anticipating much change for the fourth quarter.** According to a survey of the traveller accommodation industries regarding business conditions, the balance of opinion is evenly split on whether or not occupancy rates will be higher or lower than they were in the fourth quarter last year. Half of those surveyed expected no change, while one in four felt rates would be higher and the same number felt they would be lower.

  Labour shortages continue to be a concern for hoteliers, with 23% reporting a shortage of skilled labour and 22% finding that unskilled labour was in short supply. Only 38% of respondents reported no difficulties at this time in terms of business impediments.

  Data Source: Statistics Canada

- **After two months of decline, the number of travellers entering Canada via BC borders climbed 1.8% (*seasonally adjusted*) in September.** The count of travellers from the US rose 1.9% as both same-day (+2.6%) and overnight (+1.2%) visitors came in greater numbers. The number of travellers arriving in BC from countries other than the United States also increased, rising 1.2% despite the fact that tourists from Asia were slightly fewer in number (-0.3%), particularly those from South Korea (-5.3%).

  The number of Canadians returning home via BC was up 1.3% in September. Same-day car trips to the US jumped 1.8%, while the number of travellers returning from trips overseas grew 3.4%. *Data Source: Statistics Canada & BC Stats*

Insomnia

- **Approximately one in seven Canadians suffers from some form of insomnia according to a new study.** The study, based on a 2002 survey, found that 3.3 million Canadians aged 15 and over had trouble sleeping. A person was defined as an insomniac if they either had problems falling or staying asleep most or all of the time. Those with insomnia slept 6.5 hours a night on average, compared to 7.5 hours for people not suffering from insomnia. Almost a fifth (18%) of those struggling with insomnia slept less than five hours per night.

  There are a number of different causes of insomnia. Poor physical health can often result in insomnia, particularly the presence of a chronic condition, such as arthritis, migraines or back problems. Mental and emotional health also play a role in insomnia, with a third of those with an anxiety or mood disorder reporting sleep problems, compared to only 12% of those free of such disorders. Life stress is another factor that can result in sleep disturbances, particularly if that stress involves the death of a loved one, personal and family responsibilities or relationship difficulties. Work stress was not found to be strongly related with insomnia; however, work schedules were, as shift workers were more likely to suffer the sleep disorder compared to people working regular hours. Other findings from the study include a link between insomnia and obesity and the fact that the prevalence of insomnia increases with age.

  Data Source: SC catalogue no. 82-003

The Nation

- **Canadian investment in foreign securities increased for the eighth consecutive month in September.** The purchases were all in foreign debt instruments with $3.9 billion of foreign bonds and $1.2 billion of money market paper acquired. Canadian investors shed some foreign stock ($96 million) during the month, such that the total net increase in foreign securities amounted to about $5 billion.

  Foreign investors bought $3.2 billion worth of Canadian stocks in September and $1.9 billion in Canadian bonds. They sold off $242 million in Canadian money market paper.

  Data Source: Statistics Canada

***Infoline** Issue: 05-46*
November 18, 2005

For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

Infoline Report

Issue: 05-46
Nov. 18, 2005

Contact: Anne Kittredge (250) 387-0327
Originally published in *Earnings and Employment Trends* Issue 05-09. Annual Subscription $60 +GST

Aboriginal Peoples in B.C. Improving their Labour Market Opportunities

Introduction

Improving the economic and social conditions of Aboriginal people is currently a major priority for both the federal and BC governments. To this end, both levels of government have committed to improve the level of education attainment among the First Nations, Metis and Inuit populations in their respective jurisdictions. The policy tools to achieve this goal have not yet been fully spelled out.

In the field of education policy, there are very different strategies required to improve the education level of school-aged children than for adults. For the young, the thrust is to get them through the academic requirements for a high school diploma. The administrative data from the public elementary and high school (K-12) system indicate that many Aboriginal youth continue to drop out of high school at a very young age. The Ministry of Education's most recent report[1] shows that while conditions are improving, the process is very slow and there remains a long way to go. Fifty-four per cent of Aboriginal students who were enrolled in Grade 8 in 1997 had not graduated from high school six years later, compared with only 18 per cent of the same cohort of non-Aboriginal students.

Policies must address this wide gap in high school graduation rates but it is a very daunting task when many Aboriginal children are at high risk of suffering from physical, learning, and mental problems, often stemming from conditions of poverty and hopelessness in their home environment. The Ministry of Education data show that the rate of Aboriginal students in the K-12 system who require special education due to learning disabilities is twice that of non-Aboriginal students and due to behaviour and mental disabilities is four times the rate of non-Aboriginal students.

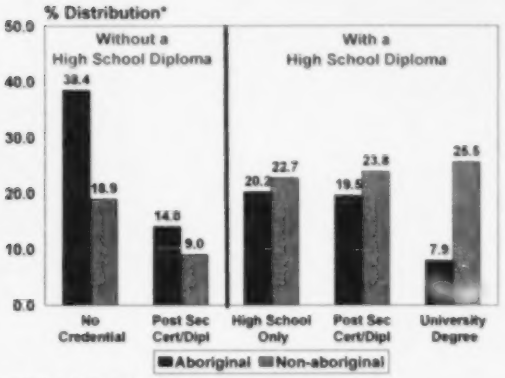
Some of the policy tools available to address the problems of children are pre-natal care to ensure babies are born healthy, early childhood education programs to provide a learning environment in the pre-school years and increased Aboriginal content in the K-12 curriculum, all of which have been used to varying degrees in BC. However, these policies on their own will take a very long time to realize significant results if the parents and other adults in the children's home environment are not in a position to provide encouraging role models. Policy makers are faced with the age-old dilemma of how to halt the vicious inter-generational cycle of poverty and social malaise in Aboriginal communities.

With this in mind, this article addresses the education and labour market barriers faced by the Aboriginal adult population age 25 to 54, the group who provide the role models for the K-12 generation. It documents the current state of their education attainment and explores where there is potential in our current system to allow them to improve their levels of education and hence their earning capacity. Equal access to education and job training for Aboriginal adults is the first crucial step to equal access to the job market.

[1] *Aboriginal Report – How Are We Doing? 2003/04*
http://www.bced.gov.bc.ca/abed/perf2004.pdf

Aboriginal adults current education attainment:

- 52 per cent of Aboriginal adults never finished high school.
- Only one in four Aboriginal people finished high school and then continued on to obtain a post-secondary credential. Among non-Aboriginal people, the rate is almost double.



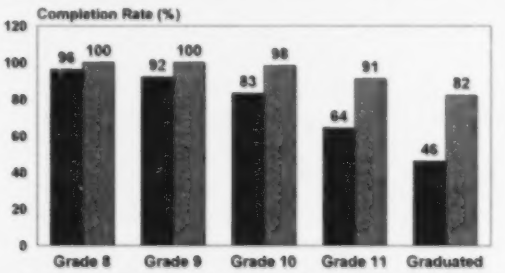
*For the Population aged 25-64 - 2001
Data Source: Statistics Canada, 2001 Census

The chart above shows how a very large proportion of Aboriginal adults fall into the category of having no education credential at all (38.4%). This is the group most likely to be out of work and living in poverty regardless of their ethnic origins. Any long-term solution to the difficulties faced by Aboriginal peoples in today's society must include a strategy that will provide the opportunity for this group to attain some kind of education credential that has value in the workplace.

The preferred solution would be for Aboriginal adults with no education credential to return to school to attain their high school diploma. The Labour Force Survey confirms that the total adult population who finish high school but go no further earn on average an estimated $27,600 per year compared to $19,800 for those who never obtained a credential of any kind. On top of that, a high school diploma is the gateway to a higher credential at the post-secondary level with all its associated benefits. Those who finish high school and then continue on to complete their post-secondary education, earn a further $6,400 per year for a total of $34,000 per year over a working life. This represents more than $1,000 extra per month than the earnings of those who have no credential at all.

However, the reality is that for many Aboriginal adults, obtaining a high school diploma, let alone a high school diploma plus a college credential, may not be a practical option. Administrative data from the K-12 system show that Aboriginal youth start dropping out of school by Grade 9 and only 6 out of 10 make it to grade 12, compared to 9 out of 10 non-Aboriginal students.

Among Aboriginal youth enrolled in Grade 8 in 1997, 17% never finished Grade 10 and 46% never finished Grade 11. This suggests that in order to complete high school, 17% of Aboriginal adults would have at least 3 years of further schooling to undertake and 46% would have at least 2 years.



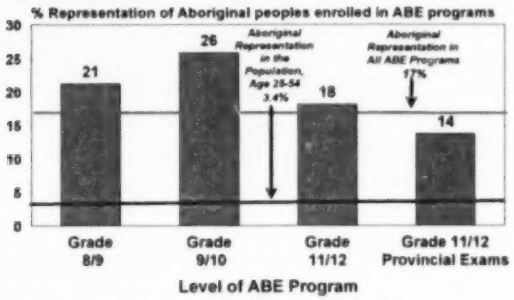
Data Source: Ministry of Education "Aboriginal Report - How Are We Doing? - 2003/04

Given their relatively high dropout rate in the early years of high school, it is fairly safe to assume that many Aboriginal adults would require more than just one year of full-time schooling to complete their high school diploma. Furthermore, the skills they learned in high school many years previously would likely be rusty or obsolete, requiring them to re-learn basic skills in order to take even grade 10 courses. The bottom

line is that adults who dropped out of school without having completed their grade 11 are faced with substantial obstacles in order to acquire a high school diploma.

Despite that, Aboriginal adults are returning to school in large numbers. According to the 2001 Census, 11,000 BC Aboriginal adults between the ages of 25 and 54 attended school in the 2000/2001 school year. That represents 15 per cent of the Aboriginal population in that age group, and many of those 11,000 students would have been upgrading their K-12 level. The College and Institute Student Outcomes database shows that many Aboriginal adults are taking "Adult Basic Education" (ABE) courses at the colleges. ABE provides adults with the opportunity to upgrade their K-12 education levels, starting at the Grade 8/9 level right up to Grade 12 graduation.

Aboriginal adults represent 17% of adult enrolments in the Adult Basic Education (ABE) programs in the College System while they only represent 3.4% of the overall provincial population, age 25-54. They are even more over-represented in the lower grade levels of ABE



Data Source: College & Institutes ABE Survey Outcomes Database – 2005, BC STATS

Aboriginal adults are five times more likely to be in these ABE programs and eight times more likely to be in ABE levels lower than grade 11 than non-Aboriginal adults. Of the 2,600 adult Aboriginal students who were enrolled in ABE programs in 2003/04, an estimated 425 (17%) had at least 3 years to go and 600 (23%) had 2 years to go just to complete high school.

Fortunately, there is another career path option available for adults who have a long way to go just to complete high school—attain a college credential in a program that does not require a high school diploma for entry.

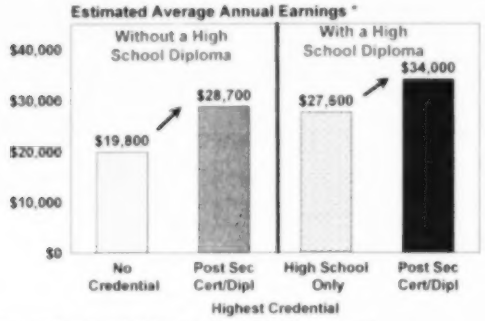
College programs that do not require a high school diploma for entry

Most post-secondary programs that do not require a high school diploma for admission are the shorter programs, those of one year or less. The program that graduates the highest number of students who do not have high school diploma is Home Support Workers (450 annually) which appears to require only competency in the English language plus some relevant work/volunteer experience; the second largest is the pre-employment program for Welders (300 annually). Other large programs with no requirement for a high school credential are The Entry Level Trades Training (ELTT) programs which provide foundation skills for entry to the certified trades, such as Auto Mechanics, Drafting, Electricians, etc. and occupations such as Bakers & Chefs, Hair Dressers, etc. For many of these programs, a grade 10 or grade 11 level of competency is all that is required.

The data show that persons without high school completion but with some form of post-secondary credential achieve more lucrative and stable employment than they could with no credential at all. In 2004, unemployment rates for this group were 2.5 percentage points lower (7.2% vs 9.8%) and wage rates were about $3.00 more per hour.

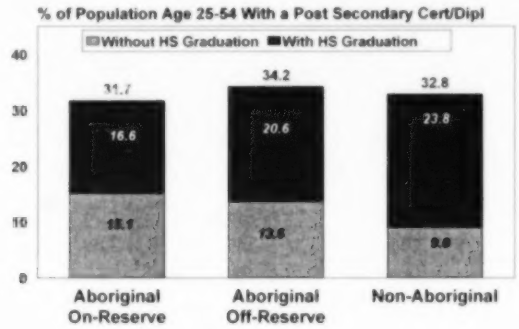
With the additional employment opportunities plus the higher wages, the non-high school graduate who completes a lower level college/institute program can earn an average of $9,000 more per year over their working life.

Attaining a post secondary certificate or diploma is very worthwhile, even for those without a high school diploma.



*Among the Non-Student Population, aged 25-54 -- 2000-2004 5 year average.
Data Source: Statistics Canada, Labour Force Survey

Aboriginals with a Post Secondary Certificate or Diploma, are less likely to have a high school diploma than are non-aboriginals. Among Aboriginal peoples on reserve who had a college credential, only one-half had completed high school.



Data Source: Statistics Canada, 2001 Census

Aboriginal adults who take advantage of college programs that do not require high school graduation for admission

Proportionately more Aboriginal adults have graduated from a college institute program without having completed high school than non-Aboriginal adults. This is particularly true for First Nations living on reserve where 15 per cent of their population relied on this alternative route representing almost 50% of their college graduates. The next chart shows that the comparable numbers for off-reserve Aboriginals is 14% of their population and 40% of their college graduates and for non-Aboriginal adults, 9% of their population and only 27% of their college graduates.

The same tendency can be observed in the College and Institutes Student Outcomes database. The numbers show that Aboriginal people who have not completed high school are taking advantage of programs that do not require a high school diploma for entrance. Between 2001 and 2004, one in five Aboriginal students who graduated[2] from a certificate/diploma program at the college or institute level had not completed high school. That compares to one in ten of non-Aboriginal students.

[2] [2] *Students who are 'near graduates' are also included in the database.*

Conclusion

There is no question that one of the most serious impediments for Aboriginal people in today's society is the high proportion of adults who do not have job-ready skills. If that problem could be resolved, many of the other issues of inequities between the Aboriginal and non-Aboriginal populations, such as income, health, housing, etc., would likely dissipate as well. To this end, it is essential that Aboriginal adults are given every opportunity to complete high school and/or attain some form of post-secondary credential. Because so many have fallen behind in skill development that match today's job market, to accomplish this will require substantial resources to enable the adults to upgrade their K-12 levels to a point where they will be able to participate in post-secondary training.

Major public funding will be necessary to achieve this end. The federal government, through Indian and Northern Affairs Canada (INAC) has provided financial support for First Nations students who need to upgrade their academic level in order to be accepted into a certificate or diploma program. This falls under the "University and College Entrance Preparation" (UCEP) program. However, within the last year there have

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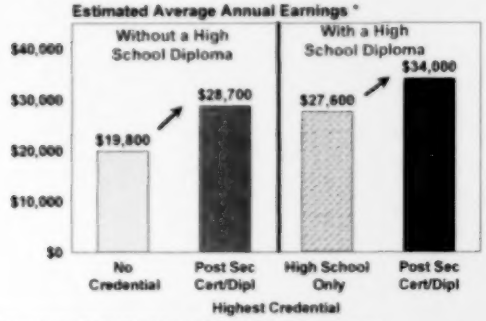

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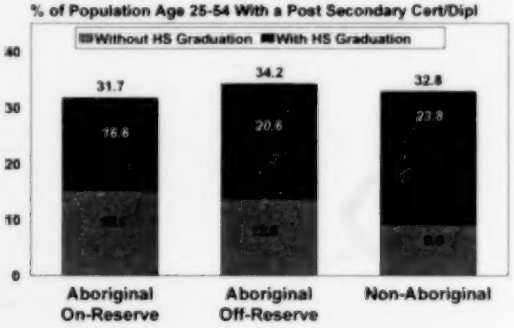

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been indications that INAC plans to limit an individual's transition funding to only one year. As was shown in the chart on the current enrolments in ABE programs, to limit the funding for Aboriginal adults' K-12 upgrading to only one year would create an insurmountable barrier for so many who are faced with 2 to 3 years of schooling in order to complete grade 12, or even for those who require 2 years of upgrading in order to be accepted into a college program that requires grade 10 or grade 11 completion.

The costs of such a program pale when one considers the economic and social benefits that would be returned over the life of these individuals and their children if they were able to find steady work. While there are no data readily available on how these groups of Aboriginal adults fare in terms of wages, the Labour Force Survey (Statistics Canada) shows that in the first 9 months of 2005, Aboriginal adults living off reserve who had either completed high school or who had completed a college credential without having high school were employed at a rate of 65 per cent compared to only 47 per cent of those who had no credential at all. That 18 percentage point differential between having a job and not having a job would represent huge tax revenues and reduced welfare costs to BC tax payers in the long term.

Infoline

November 18, 2005

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also on the Internet at www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)	Jul 1/05	% change on one year ago
BC	4,254.5	1.3
Canada	32,270.5	0.9
GDP and INCOME		
(BC - at market prices)	2004	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	157,241	7.7
GDP *($ 1997 millions)*	139,205	4.0
GDP *($ 1997 per Capita)*	33,129	2.8
Personal Disposable Income *($ 1997 per Capita)*	20,182	1.4
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Sep	3,535	-0.5
Merchandise Exports - Sep	3,075	1.6
Retail Sales - Aug	4,302	2.3
CONSUMER PRICE INDEX		12-month avg
(all items - 1992=100)	Sep '05	% change
BC	126.5	2.1
Canada	129.1	2.2
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Oct '05	prev. month
Labour Force - BC	2,265	0.1
Employed - BC	2,149	0.7
Unemployed - BC	116	-9.5
		Sep '05
Unemployment Rate - BC *(percent)*	5.1	5.7
Unemployment Rate - Canada *(percent)*	6.6	6.7
INTEREST RATES (percent)	Nov 16/05	Nov 17/04
Prime Business Rate	4.75	4.25
Conventional Mortgages - 1 year	5.40	5.00
- 5 year	6.15	6.30
US/CANADA EXCHANGE RATE	Nov 16/05	Nov 17/04
(avg. noon spot rate) Cdn $	1.1918	1.1924
US $ *(reciprocal of the closing rate)*	0.8379	0.8379
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	Oct '05	one year ago
BC	705.83	0.2
Canada	711.14	4.1

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

Updated results

Electoral District Profiles

This week Elections BC released the final official results of the May 17, 2005 provincial election. These results have been substituted to the cover pages of our 2001 Census Profiles of provincial electoral districts.

Provincial Electoral District Profiles, 2001

http://www.bcstats.gov.bc.ca/ [*continued*]
data/cen01/profiles/csd_txt.asp#PED_mark

On our site

Small Business Profile

This annual publication provides a profile of BC's small businesses, including number of businesses, employment and GDP.

Small Business Profile 2005

http://www.bcstats.gov.bc.ca/ [*continued*]
data/bus_stat/busind/sm_bus/SBP2005.pdf

Released this week by BC STATS

- Exports, September 2005
- Tourism Sector Monitor, October 2005

Next week

- Consumer Price Index, October 2005
- Current Statistics, November 2005

BC STATS, Ministry of Labour and Citizens' Services, Box 9410 Stn Prov Govt, Victoria, B.C. V8W 9V1
Tel: (250) 387-0327 Fax: (250) 387-0329 Web: www.bcstats.gov.bc.ca E-mail: BC.Stats@gov.bc.ca